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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/960,715	09/21/2001	Larry Routhenstein	35.016	4275

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EXAMINER
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TAYLOR, APRIL ALICIA

ART UNIT	PAPER NUMBER
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2876

DATE MAILED: 04/21/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

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**Office Action Summary**

Application No.

09/960,715

Applicant(s)

ROUTHENSTEIN, LARRY

Examiner

April A. Taylor

Art Unit

2876

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 29 December 2004.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-26 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-7 and 23-26 is/are rejected.
- 7) ☒ Claim(s) 8-22 is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 29 December 2004 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

### **DETAILED ACTION**

1. Receipt is acknowledged of the Amendment filed 29 December 2004.

#### ***Claim Objections***

2. Claims 4-26 are objected to because of the following informalities:

Re claim 4: Substitute "can be" with -- is -- (see line 1).

Re claim 5: Substitute "should be" with -- is -- (see line 2).

Re claim 21: Substitute "can be" with -- is -- (see line 3).

Re claim 23: Substitute "can be" with -- is -- (see line 14).

Re claim 24: Substitute "can be" with -- is -- (see line 14).

Re claim 26: Substitute "can be" with -- is -- (see line 14).

Appropriate correction is required. (Note: Claims 6-20, 22, and 25 are objected to since they are dependent upon an objected claim)

#### ***Claim Rejections - 35 USC § 112***

3. Claim 25 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claim 25 recites the limitation "the magnetic card" in line 2. There is insufficient antecedent basis for this limitation in the claim.

### ***Double Patenting***

4. The nonstatutory double patenting rejection is based on a judicially created doctrine grounded in public policy (a policy reflected in the statute) so as to prevent the unjustified or improper timewise extension of the "right to exclude" granted by a patent and to prevent possible harassment by multiple assignees. See *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985); *In re Van Ornum*, 686 F.2d 937, 214 USPQ 761 (CCPA 1982); *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970); and, *In re Thorington*, 418 F.2d 528, 163 USPQ 644 (CCPA 1969).

A timely filed terminal disclaimer in compliance with 37 CFR 1.321(c) may be used to overcome an actual or provisional rejection based on a nonstatutory double patenting ground provided the conflicting application or patent is shown to be commonly owned with this application. See 37 CFR 1.130(b).

Effective January 1, 1994, a registered attorney or agent of record may sign a terminal disclaimer. A terminal disclaimer signed by the assignee must fully comply with 37 CFR 3.73(b).

5. Claim 1 is rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 6,805,288 (hereinafter '288). Although the conflicting claims are not identical, they are not patentably distinct from each other because the present claimed invention is somewhat broader recitation of the '288 Patent. For instance, in claim 1 of the present claimed invention and the '288 Patent, the Applicants claim:

*i)* "generating a Secure Card Number (SCN) for the first entity ..." whereas in the '288 Patent, the Applicants claim "using an electronic card to generate a Secure Card Number (SCN) for the first entity ..." (see col. 11, lines 8-14);

*ii)* "transferring the SCN and a first entity identifier to a second entity in a first transaction" whereas in the '288 Patent, the Applicants claim "transferring the SCN and a first entity identifier to a second entity in a first transaction" (see col. 11, lines 15-16);

*iii)* "transferring the SCN and the first entity identifier from the second entity to a money source" whereas in the '288 Patent, the Applicants claim "transferring the SCN and the first entity identifier from the second entity to a money source" (see col. 11, lines 17-18);

*iv)* "verifying that the first transaction is valid with the money source by use of the first entity identifier and the SCN" whereas in the '288 Patent, the Applicants claim "verifying that the first transaction is valid with the money source by use of the first entity identifier and the SCN" (see col. 11, lines 19-21).

Thus, in respect to the above discussions, it would have been obvious to one of ordinary skill in the art at the time the invention was made to use the teachings of claim 1 of the '288 Patent as a general teaching for a method of providing one or more secure transactions between a first entity and at least one additional entity, to perform the same functions as claimed by the present application. The present claimed invention obviously encompass the claimed invention of the '288 Patent and differ only in terminology.

### ***Claim Rejections - 35 USC § 102***

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States

only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 1-7, 23, and 26 are rejected under 35 U.S.C. 102(e) as being anticipated by Walker et al (US 6,163,771) (hereinafter Walker), cited by the applicants.

Re claim 1: Walker teaches a method for generating a single-use financial account number comprising:

(1) generating a secure card number (SCN) for the first entity, wherein the SCN is comprised of: a transaction information block (TIB); a counter block; and an encrypted personal identification number (PIN) block;

(2) transferring the SCN and a first entity identifier to a second entity in a first transaction;

(3) transferring the SCN and the first entity identifier from the second entity to a money source; and

(4) verifying that the first transaction is valid with the money source by use of the first entity identifier and the SCN. (See col. 6, line 4 to col. 8, line 55)

Re claim 2: Walker teaches wherein the SCN is transferred to the money source in an account number and the first entity identifier is transferred to the money source in a non-account data field (see col. 6, line 4 to col. 8, line 55).

Re claim 3: Walker teaches wherein the first entity identifier is transferred to the money source as an account number and the SCN is transferred to the money source in a non-account data field (see col. 6, line 4 to col. 8, line 55).

Re claim 4: Walker teaches wherein the TIB is used for invoking one or more restrictions on use of the SCN (see col. 6, line 4 to col. 8, line 55).

Re claim 5: Walker teaches wherein the TIB is used by the money source to determine that the SCN is a single-use SCN (see col. 6, lines 4+).

Re claim 6: Walker teaches wherein the TIB is used by the money source to identify a physical device used to generate the SCN (see col. 6, line 4 to col. 8, line 55).

Re claim 7: Walker teaches wherein the encrypted PIN Block is formed by using a Triple Data Encryption Standard algorithm (TDES) to encrypt a PIN Block (see col. 10, lines 5+).

Re claim 23: Walker teaches a method for generating a single-use financial account number comprising:

(1) using an electronic card to generate a secure card number (SCN) for the first entity, wherein the SCN is comprised of: a transaction information block (TIB); a counter block; and an encrypted personal identification number (PIN) block;

(2) transferring the SCN and a first entity identifier to a second entity in a first transaction;

(3) transferring the SCN and the first entity identifier from the second entity to a money source; and

(4) verifying that the first transaction is valid with the money source by use of the first entity identifier and the SCN;

wherein the TIB is used for invoking one or more restrictions on use of the SCN;  
and

wherein the SCN is transferred to the money source in an account number and the first entity identifier is transferred to the money source in a non-account data field.

(See col. 6, line 4 to col. 8, line 55)

Re claim 24: Walker teaches a method for generating a single-use financial account number comprising:

(1) using an electronic card to generate a secure card number (SCN) for the first entity, wherein the SCN is comprised of: a transaction information block (TIB); a counter block; and an encrypted personal identification number (PIN) block;

(2) transferring the SCN and a first entity identifier to a second entity in a first transaction;

(3) transferring the SCN and the first entity identifier from the second entity to a money source; and

(4) verifying that the first transaction is valid with the money source by use of the first entity identifier and the SCN;

wherein the TIB is used for invoking one or more restrictions on use of the SCN; and

wherein the TIB is used by the money source to determine which of a plurality of account numbers associated with the first entity should be used for the first transaction.

(See col. 6, line 4 to col. 8, line 55; and col. 11, lines 21+)



***Claim Rejections - 35 USC § 103***

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

9. Claims 24 and 25 are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al (US 6,163,771) (hereinafter Walker). The teachings of Walker have been discussed above.

Walker fails to specifically teach or fairly suggest wherein the SCN is readable from a track of a magnetic card by a magnetic card reader. However, it would have been obvious to one of ordinary skill in the art at the time the invention was made to employ a magnetic card and reader to the system of Walker in order to provide secure transactions using existing magnetic cards and magnetic readers.

***Allowable Subject Matter***

10. Claims 8-22 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

11. The following is a statement of reasons for the indication of allowable subject matter: The prior art to Walker et al teaches a method and device for generating a single-use financial account number, however the prior art of record, taken alone or in combination, fail to teach or fairly suggest, in conjunction with other limitations in the

claims, wherein the PIN Block is generated from a PIN associated with the first entity, a Sequence Insertion Number and a starting value known to both the first entity and to the money source; and wherein the SIN is a combination of a first set of seed values and a random value generated by a pseudo random number generator that is initialized with the first set of seed values.

### ***Conclusion***

12. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

Shem-Ur et al (US 6,425,523) discloses a method for preventing unauthorized use of credit cards in remote payment and an optional supplemental code card for use therein.

Pagani et al (US 6,834,270) discloses a secured financial transaction system using single use codes.

13. Any inquiry concerning this communication or earlier communications from the examiner should be directed to April A. Taylor whose telephone number is (571) 272-2403. The examiner can normally be reached on Monday - Friday from 6:30AM - 4:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee can be reached on (571) 272-2398. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Communications via Internet e-mail regarding this application, other than

those under 35 U.S.C. 132 or which otherwise require a signature, may be used by the applicant and should be addressed to [april.taylor@uspto.gov].

All Internet e-mail communications will be made of record in the application file. PTO employees do not engage in Internet communications where there exists a possibility that sensitive information could be identified or exchanged unless the record includes a properly signed express waiver of the confidentiality requirements of 35 U.S.C. 122. This is more clearly set forth in the Interim Internet Usage Policy published in the official Gazette of the Patent and Trademark on February 25, 1997 at 1195 OG 89.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



AAT

08 April 2005



**THIEN M. LE**  
**PRIMARY EXAMINER**

Figure 1

